

SPECIAL NOTE: Commissioners will tour Scarpino, 329 N. West Ave., at 1:00 p.m. prior to the regularly scheduled meeting.

AGENDA
ADVERTISING AND PROMOTION COMMISSION
April 9, 2012 2:00 p.m. Fayetteville Town Center

- I. Call to Order – Maudie Schmitt
- II. Reports
 - A. Approval of Minutes for March monthly meeting
 - B. Addition to By-Laws of Open and Responsive Operation
 - C. Financial Report
 - 1. HMR Revenues – Marilyn Heifner
 - 2. Financial Statements - Keith Glass
 - 3. Update from City Attorney re: delinquent tax collection efforts – Kit Williams
 - D. Departmental Reports
 - 1. Clinton House Museum
 - 2. Convention and Visitors Bureau
 - 3. Town Center
 - 4. Executive Director
 - E. Advertising Agency Report – Mike Sells
- III. Old Business
 - A. Old Post Office
 - 1. Appraisal
 - 2. Hiring Real Estate Attorney
 - B. Scarpino
- IV. New Business
 - A. National Park Service public input session on Butterfield Overland Mail Route National Trail – 4/11/12 – 10 a.m. until noon, City Hall, Room 326
- V. Adjourn

**ADVERTISING AND PROMOTION COMMISSION
REGULAR MEETING
March 12, 2012**

Commissioners Present: Bob Davis, Lioneld Jordan, Brandon Karn, Bill Lyle, Maudie Schmitt and Justin Tennant.

Commissioners Absent: Hannah Mills

Staff Present: Sandra Bennett

CALL TO ORDER

Maudie Schmitt called the regular monthly meeting of the Fayetteville Advertising and Promotion Commission to order on March 12, 2012, at 2:00 p.m.

MINUTES

Davis moved to approve the minutes of January's meeting, second by Jordan. Motion carried.

HMR REPORT

It was reported that HMR was up 12.81% with total collections of \$178,289. Last year same time increase was 9.80%.

FINANCIAL REPORT

Keith Glass presented the financial report. Final Financials for December show the asset component reclassified. Through month of January HMR revenue is up \$14,000.00. CVB shows \$30,000 loss as a result of store inventory. The difference in salaries is because of timing of pay day being on weekend which sometimes pushes it into the next month.

DELINQUENT TAX COLLECTIONS

Kit Williams reported \$12,281.44 in collections in February 2012, with a year to date total of \$18,934.93. Of the 29 cases, more than half show a zero balance.

CLINTON HOUSE MUSEUM

2,000 tulip bulbs were planted as part of their Plant the Town RED program. Free admission February 20th in honor of President's Day.

CONVENTION VISITORS BUREAU

Visitor Center had \$4,548.24 in sales. There were 1024 visitors during the month of February.

TOWN CENTER

Sandra reported that the Town Center was up in almost every category from last year. Town Center staff is working on University events, community and non-profit events.

AD AGENCY

Mike Sells reported for the Agency. They are currently working on the Fayetteville guide. January - February has shown an increase of web activity. They've expanded geographical region and all areas show an increase. Drew presented the new First Thursday logo.

OLD BUSINESS

Quotes for appraisals of Old Post Office

Mark Risk's quote for \$2,000.00

Parrish's quote Restricted use - \$1,500.00, USPAP \$2,500.00.

Restricted Use = Simple cut and dry report with value of property.

USPAP = In-depth exposition of material that elaborates on the restricted use report. Land sales, lease analysis and retail business.

Motion to have Parrish appraise Old Post Office using the Restricted Use Report for \$1,500.00 by Davis, second by Tennant.

Motion carried.

NEW BUSINESS

Gina Scarpino & Richard Berquist offered their building as an alternative for a venue for the Fayetteville Underground. They invited Commissioners to come to the space and look at it and consider it as a location instead of the Old Post Office. It could be used as an event venue and artist studios. It's over 6,000 square feet, they are asking for \$990,000.00.

Commissioners discussed meeting at 1:00 pm on April 8th at Scarpino's before the 2:00 pm meeting.

Hiring an attorney for negotiations on purchase of Old Post Office

Kit recommended the Commission select an attorney experienced in real estate to draft documents and be involved in all negotiations.

Sandra was asked to place an Ad in paper to solicit legal services.

Davis moved to look for an attorney with real estate experience, second by Jordan.

Motion carried.

Applications for A&P Commission

Two applicants disqualified because they did not fulfill the requirements for the open positions.

Tennant moved to go into executive session, second by Davis.

After executive session, Maudie called meeting back to order.

Karn moved to accept Bill Lyle to second term, second by Tennant.

Motion carried.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Sandra Bennett
Facilities Manager
Fayetteville Town Center

Advertising and Promotion Commission
For month of **March 2012**

Current Year HMR Collected (2120.0912.4101.00)	\$ 202,291.79
Prior Year Collected (2120.0912.4101.01)	\$ (1,276.30)
First Security Investment Interest Revenue (2120.0912.4708.00)	\$ 880.54
Total Revenues	<hr/> \$ 201,896.03
Annual Bond Audit Expense (2120.9120.7602.60)	\$ -
Collection Expense (2120.9120.5333.00)	\$ (4,021.75)
Bank of OK Quarterly Fee (2120.9120.5712.00)	\$ -
Town Center Bond Payment (2120.9120.5712.00)	\$ (56,133.99)
2010 Property Taxes on Town Center (2120.9120.7602.60)	
Total Expenses	<hr/> \$ (60,155.74)
Total Check to A&P	<hr/> <hr/> \$ 141,740.29

***~ This report represents HMR collections through the end of the month.
These figures may include past due amounts.***

City of Fayetteville, Arkansas
Monthly HMR Tax Collections 2008-2011

	2009 Total HMR Taxes	2010 Total HMR Taxes	2010 Change Over Prior Year	2011 Total HMR Taxes	2011 Change Over Prior Year	2012 Total HMR Taxes	2012 Change Over Prior Year
January	\$166,214	\$166,645	0.00%	\$179,546	7.74%	\$205,939	14.70%
February	\$167,141	\$143,940	-13.88%	\$158,037	9.80%	\$178,289	12.81%
March	\$180,027	\$172,662	-4.09%	\$169,093	-2.06%	\$201,015	18.88%
April	\$191,542	\$187,730	-2.00%	\$506,675 \$187,976	0.00%		
May	\$190,320	\$185,096	-2.74%	\$188,149	1.65%		
June	\$190,237	\$184,371	-3.08%	\$205,700	11.57%		
July	\$180,944	\$196,323	0.08%	\$205,438	4.60%		
August	\$167,897	\$180,741	7.65%	\$189,839	5.03%		
September	\$176,463	\$184,471	4.54%	\$195,427	5.94%		
October	\$189,728	\$195,169	2.87%	\$214,713	10.01%		
November	\$190,887	\$213,494	11.84%	\$203,529	-4.67%		
December	\$174,568	\$171,511	-0.18%	\$202,027	17.79%		
Total	\$ 2,165,969	\$2,182,155	0.75%	\$2,806,149	5.38%	\$585,243	15.51%



Keith M. Glass, CPA

2580 N. College
Fayetteville, AR 72703
(479) 571-0811
(479) 571-0812 fax

Accountant's Compilation Report

503 Pitman P.O. Box 268
Prairie Grove 72753
(479) 846-3424
fax (479) 846-4314

To Commission Members,


I have compiled the accompanying Statements of Assets, Liabilities, and Capital arising from transactions of Fayetteville Advertising and Promotion Commission, The Fayetteville Town Center, The Convention and Visitors Bureau, and The Clinton House Museum as of February 29, 2012 and the related Statements of Revenue and Expenses for the period then ended, and two months then ended and the period then ended last year, and two month then ended last year, and the related Statements of Revenue and Expenses by Division for the period then ended. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide assurance about whether the financial statements are in accordance with the modified accrual basis of accounting. The financial statements have been prepared on the modified cash basis, which is a comprehensive basis of accounting other than generally accepted accounting principles.

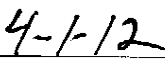
Management (Owners) is(are) responsible for the presentation and fair presentation of the financial statements in accordance with the modified cash basis of accounting and for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements arising from modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's asset, liabilities, equity, revenue, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

I am not independent with respect to Fayetteville Advertising and Promotion Commission, The Fayetteville Town Center, The Convention and Visitors Bureau, and The Clinton House Museum.


Keith M. Glass, CPA


Date

Fayetteville A&P Commission
Statement of Assets, Liabilities & Equity - Modified Cash Basis
February 29, 2012

ASSETS

Current Assets		
CVB Cash in Register	\$	100.00
CHM Cash in Register		100.00
Arvest A&P General #4856		179,102.43
1st Security A&P General #8714		631,210.31
1st Sec Fay Town Ctr #8722		187,707.97
1st Sec. Clinton House #8749		21,814.94
1st Sec. Conv Visitor #8730		59,471.16
Arvest Payroll Account #4636		32,127.42
Accounts Receivable		18.48
Due From Other Funds		8,446.09
Investments		1,774,535.23
Investment Adj to Market		4,321.33
Total Current Assets		2,898,955.36
Property and Equipment		
Furniture and Fixtures		41,952.36
Equipment		186,629.91
CVB Building		930,569.02
CVB Land		198,621.00
Building Additions		515,508.23
Accum. Depreciation		(388,192.99)
Total Property and Equipment		1,485,087.53
Other Assets		
Total Other Assets		0.00
Total Assets	\$	4,384,042.89

LIABILITIES AND CAPITAL

Current Liabilities		
Aflac	\$	253.82
Colonial Life & Acc Ins Payabl		(1,157.02)
Sales Tax Payable		(214.75)
Federal Payroll Taxes Payable		8,738.14
FUTA Tax Payable		732.93
State Payroll Taxes Payable		394.44
SUTA Payable		1,439.23
Employee Benefits Payable		14,980.51
Due to Other Funds		3,565.78
Due to Town Center		4,142.40
Total Current Liabilities		32,875.48
Long-Term Liabilities		
Total Long-Term Liabilities		0.00
Total Liabilities		32,875.48

See Accountants' Compilation Report

Fayetteville A&P Commission
Statement of Assets, Liabilities & Equity - Modified Cash Basis
February 29, 2012

Capital		
Beginning Balance Equity	3,879,562.33	
Unrestricted Fund Balance	326,330.01	
Restricted Fund-540 Film Grant	221.53	
Net Income	145,053.54	
Total Capital		4,351,167.41
Total Liabilities & Capital	\$	4,384,042.89

See Accountants' Compilation Report

Fayetteville A&P Commission
Statements of Revenue & Expenses - Modified Cash Basis
For the Month and Two Months Ending February 29, 2012

	Current Month		Year to Date	
Revenues				
HMR Tax Revenue	\$ 175,404.69	76.09	\$ 359,906.48	75.82
Prior Year HMR Tax Revenue	2,884.15	1.25	24,320.88	5.12
Rental Income	36,593.73	15.87	65,780.61	13.86
Other Income	300.00	0.13	2,355.40	0.50
Parking Revenue	0.00	0.00	541.75	0.11
Parking Lease	0.00	0.00	1,944.11	0.41
Gift Shop Sales	63.28	0.03	301.70	0.06
Visitor Store	4,221.76	1.83	5,295.20	1.12
Admission Revenue	81.00	0.04	477.19	0.10
Interest Income Investments	1,057.52	0.46	1,057.52	0.22
Interest Income Checking	308.55	0.13	638.16	0.13
Visitor Guide Ad Income	9,600.00	4.16	12,050.00	2.54
Total Revenues	230,514.68	100.00	474,669.00	100.00
Cost of Sales				
Total Cost of Sales	0.00	0.00	0.00	0.00
Gross Profit	230,514.68	100.00	474,669.00	100.00
Expenses				
Signage- Tourism	0.00	0.00	737.75	0.16
Credit Card Discounts	367.40	0.16	1,145.49	0.24
Bank Charges	0.00	0.00	76.48	0.02
Advertising & Marketing	8,820.71	3.83	9,407.17	1.98
Brochures	876.86	0.38	1,376.86	0.29
Accounting & Legal Fees	0.00	0.00	650.00	0.14
Office Expense	580.90	0.25	1,532.66	0.32
Visitor Store Exp	0.00	0.00	5,083.49	1.07
Insurance & Health Benefits	5,889.52	2.55	15,289.56	3.22
408 (P) Company Match	1,067.86	0.46	2,135.74	0.45
Car Allowance	300.00	0.13	600.00	0.13
Telephone Expense	246.36	0.11	925.67	0.20
Postage and Shipping Expense	500.00	0.22	1,637.65	0.35
Rent	12,000.00	5.21	12,000.00	2.53
Repairs & Maintenance Expense	813.00	0.35	7,432.18	1.57
Kamensky Fountain Maintenance	147.49	0.06	294.98	0.06
Linens	2,111.96	0.92	4,820.12	1.02
Printing Expense	0.00	0.00	395.49	0.08
Publications & Dues	0.00	0.00	650.00	0.14
Travel/Training Expense	1,550.00	0.67	4,661.70	0.98
Collections Expense	3,565.78	1.55	7,684.55	1.62
Payroll Tax Expense	4,464.37	1.94	9,008.06	1.90
Convention Development	0.00	0.00	20,561.39	4.33
Contract Labor	3,745.00	1.62	7,520.00	1.58
Wages Expense	37,876.19	16.43	75,558.17	15.92
Electricity Utility	871.21	0.38	5,428.98	1.14
Gas Utility	213.08	0.09	3,747.50	0.79
Water Utility	0.00	0.00	1,260.85	0.27
Cable	663.42	0.29	1,362.77	0.29
Recycling	184.79	0.08	369.58	0.08
Security	21.85	0.01	523.70	0.11
Minor Equipment	0.00	0.00	4,208.49	0.89

See Accountants' Compilation Report

Fayetteville A&P Commission
Statements of Revenue & Expenses - Modified Cash Basis
For the Month and Two Months Ending February 29, 2012

	Current Month		Year to Date	
Other Expense	925.00	0.40	935.00	0.20
Artini Expenses	0.00	0.00	311.41	0.07
LOTO Special Project	0.00	0.00	546.25	0.12
Misc Special Project	120.98	0.05	6,342.79	1.34
Bond Payments-Town Center	56,133.99	24.35	112,267.98	23.65
Trustee Expense	0.00	0.00	1,125.00	0.24
Total Expenses	144,057.72	62.49	329,615.46	69.44
Net Income	\$ 86,456.96	37.51	\$ 145,053.54	30.56

Fayetteville A&P Commission
Statement of Revenue & Expenses - Modified Cash Basis
For the Two Months Ending February 29, 2012

	Current Month This Year	Current Month Last Year	Year to Date This Year	Year to Date Last Year
Revenues				
HMR Tax Revenue	\$ 175,404.69	\$ 156,004.19	\$ 359,906.48	\$ 326,528.31
Prior Year HMR Tax Revenue	2,884.15	2,032.38	24,320.88	11,054.06
Rental Income	36,593.73	29,759.87	65,780.61	56,842.93
Other Income	300.00	510.00	2,355.40	510.00
Parking Revenue	0.00	515.00	541.75	869.00
Parking Lease	0.00	3,220.12	1,944.11	3,220.12
Gift Shop Sales	63.28	231.44	301.70	429.26
Visitor Store	4,221.76	957.45	5,295.20	1,976.71
Partnership Income	0.00	400.00	0.00	2,000.00
Admission Revenue	81.00	199.04	477.19	288.54
Interest Income Investments	1,057.52	2,348.19	1,057.52	2,348.19
Interest Income Checking	308.55	450.04	638.16	904.36
Visitor Guide Ad Income	9,600.00	500.00	12,050.00	500.00
Total Revenues	230,514.68	197,127.72	474,669.00	407,471.48
Cost of Sales				
Clinton House Gift Shop	0.00	568.89	0.00	568.89
Total Cost of Sales	0.00	568.89	0.00	568.89
Gross Profit	230,514.68	196,558.83	474,669.00	406,902.59
Expenses				
Signage- Tourism	0.00	109.25	737.75	218.50
Credit Card Discounts	367.40	369.44	1,145.49	945.82
Bank Charges	0.00	0.00	76.48	31.86
Parking Expense	0.00	100.00	0.00	200.00
Advertising & Marketing	8,820.71	11,885.17	9,407.17	18,310.70
Brochures	876.86	16,312.04	1,376.86	22,727.49
Accounting & Legal Fees	0.00	650.00	650.00	1,300.00
Office Expense	580.90	849.60	1,532.66	2,223.86
Visitor Store Exp	0.00	762.35	5,083.49	7,867.83
Insurance & Health Benefits	5,889.52	4,466.99	15,289.56	7,965.84
408 (P) Company Match	1,067.86	810.54	2,135.74	1,200.88
Car Allowance	300.00	300.00	600.00	450.00
Telephone Expense	246.36	779.46	925.67	1,555.05
Postage and Shipping Expense	500.00	13.23	1,637.65	1,979.12
Rent	12,000.00	0.00	12,000.00	12,000.00
Repairs & Maintenance Expense	813.00	1,676.54	7,432.18	12,823.72
Kamensky Fountain Maintenance	147.49	0.00	294.98	734.09
Linens	2,111.96	1,977.41	4,820.12	4,007.49
Printing Expense	0.00	0.00	395.49	0.00
Publications & Dues	0.00	210.00	650.00	1,410.00
Travel/Training Expense	1,550.00	2,630.90	4,661.70	4,684.02
Collections Expense	3,565.78	3,160.73	7,684.55	6,751.65
Payroll Tax Expense	4,464.37	3,167.15	9,008.06	4,733.29
Convention Development	0.00	1,000.34	20,561.39	5,598.19
Research Expense	0.00	475.00	0.00	475.00
Contract Labor	3,745.00	4,170.00	7,520.00	8,065.00
Wages Expense	37,876.19	34,553.44	75,558.17	51,646.29
Electricity Utility	871.21	4,731.31	5,428.98	9,419.65
Gas Utility	213.08	4,853.41	3,747.50	6,546.72
Water Utility	0.00	1,532.73	1,260.85	2,006.95
Cable	663.42	1,016.97	1,362.77	1,458.61
Recycling	184.79	0.00	369.58	171.89

See Accountants' Compilation Report

Fayetteville A&P Commission
Statement of Revenue & Expenses - Modified Cash Basis
For the Two Months Ending February 29, 2012

	Current Month This Year	Current Month Last Year	Year to Date This Year	Year to Date Last Year
Security	21.85	693.07	523.70	714.92
Airport Advertising	0.00	150.00	0.00	150.00
Minor Equipment	0.00	1,384.17	4,208.49	4,324.91
Other Expense	925.00	0.00	935.00	0.00
Artini Expenses	0.00	0.00	311.41	0.00
DECA	0.00	913.87	0.00	1,827.75
LOTO Special Project	0.00	0.00	546.25	0.00
Arts Live Theatre	0.00	0.00	0.00	1,000.00
Misc Special Project	120.98	1,568.71	6,342.79	3,985.71
Bond Payments-Town Center	56,133.99	56,304.00	112,267.98	112,608.00
Trustee Expense	0.00	0.00	1,125.00	1,125.00
Total Expenses	144,057.72	163,577.82	329,615.46	325,245.80
Net Income	\$ 86,456.96	\$ 32,981.01	\$ 145,053.54	\$ 81,656.79

Fayetteville AP Commission
Statements of Revenue Expenses by Division - Modified Cash Basis
For the Month Ending February 29, 2012

	<u>Clinton House</u>	<u>CVB</u>	<u>Town Center</u>	<u>Fayetteville A&P</u>	<u>Monthly Total</u>
Revenues					
HMR Tax Revenue				\$ 175,404.69	\$ 175,404.69
Prior Year HMR Tax Revenue				2,884.15	2,884.15
Rental Income		\$ 100.00	\$ 33,743.73	2,750.00	36,593.73
Other Income		300.00			300.00
Parking Revenue					0.00
Parking Lease					0.00
Gift Shop Sales	\$ 63.28				63.28
Visitor Store		4,221.76			4,221.76
Admission Revenue	81.00				81.00
Interest Income Investments				1,057.52	1,057.52
Interest Income Checking	12.38		70.84	225.33	308.55
Visitor Guide Ad Income				9,600.00	9,600.00
Total Revenues	156.66	4,621.76	33,814.57	191,921.69	230,514.68
Expenses					
Credit Card Discounts	49.25	99.26	218.89		367.40
Advertising & Marketing			197.12	8,623.59	8,820.71
Brochures				876.86	876.86
Office Expense	176.17	404.73			580.90
Insurance & Health Benefits	905.04	2,214.45	1,867.56	902.47	5,889.52
408 (P) Company Match	84.76	465.12	307.98	210.00	1,067.86
Car Allowance				300.00	300.00
Telephone Expense	107.77		138.59		246.36
Postage and Shipping Expense				500.00	500.00
Rent	12,000.00				12,000.00
Repairs & Maintenance Expense			813.00		813.00
Kamensky Fountain Maintenance				147.49	147.49
Linens			2,111.96		2,111.96
Travel/Training Expense		1,550.00			1,550.00
Collections Expense				3,565.78	3,565.78
Payroll Tax Expense	337.59	1,921.86	1,446.92	758.00	4,464.37
Contract Labor	345.00		650.00	2,750.00	3,745.00
Wages Expense	2,825.00	15,910.26	12,140.93	7,000.00	37,876.19
Electricity Utility	70.05	363.72	437.44		871.21
Gas Utility	213.08				213.08
Cable	103.25		560.17		663.42
Recycling			184.79		184.79
Security	21.85				21.85
Other Expense		925.00			925.00
Misc Special Project			120.98		120.98
Bond Payments-Town Center				56,133.99	56,133.99
Total Expenses	17,238.81	23,854.40	21,196.33	81,768.18	144,057.72
Net Income	\$ (17,082.15)	\$ (19,232.64)	\$ 12,618.24	\$ 110,153.51	\$ 86,456.96

See Accountants' Compilation Report



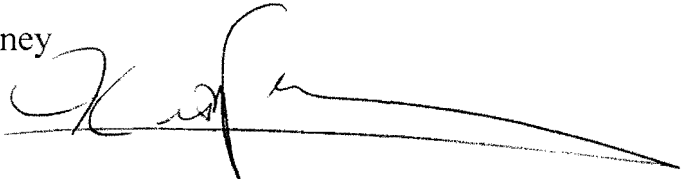
Kit Williams
City Attorney

Jason B. Kelley
Assistant City Attorney

TO: Mayor Jordan
A&P Commissioners

CC: Don Marr, Chief of Staff
Casey Jones, Prosecuting Attorney

FROM: Kit Williams, City Attorney



DATE: April 3, 2012

RE: Overdue HMR collection efforts

The City Prosecutor's Office collected **\$7,458.46** of overdue HMR taxes in March of 2012. Thus, for the first quarter of 2012, the City Prosecutor's Office has collected **\$26,393.39** in overdue Hotel, Motel and Restaurant taxes.

Seven of the 29 open cases showed a zero delinquent balance at this time. Unfortunately, no case was closed and seven show a delinquent balance in excess of \$1,000.00. Only one of those seven is for an operating business.

OFFICE OF CITY PROSECUTOR

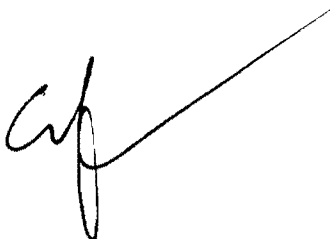
MEMO

TO: K. Williams
Fayetteville City Attorney

FROM: Casey Jones
Fayetteville City Prosecutor

DATE: April 2, 2012

RE: Status of Active HMR cases



* When a Criminal Summons is issued for a violation and the Defendant subsequently pays the delinquent balance the Criminal Summons remains active and is then routinely dismissed by the Judge at arraignment if the Defendant is still current and not in violation.

1.	Acambaro Four Business Closed	Jesus Socarro	Active Criminal Summons Delinquent Balance: \$1,468.04
2.	Antoinette's Special Cakes & Catering	Antoinette R. Harris Jami A. Harris	Active Criminal Summons Active Criminal Summons Delinquent Balance: -0-
3.	Brenda's Drive-In	Collin L. Wilkins	Active Criminal Summons Delinquent Balance: -0-
4.	Butcher Block Business Closed	Gary W. Bell	Active Contempt of Court Delinquent Balance: \$1,871.28
5.	Café Delta Soul	Michael L. Vaughn	Trial date: 5/2/12 Delinquent Balance: \$1,980.00
6.	Dickson Dining (Jose's)	Sidney O. Crawford Jr.	Paid: -0- Delinquent Balance: No Forms
7.	Dominoes Pizza Business Closed	Lloyd W. Hardison	Active Criminal Summons Delinquent Balance: \$4,390.66
8.	Green Room	Laurie L. Fuller Rustin E. Fuller	Arraignment: 4/6/12 Arraignment: 4/6/12 Delinquent Balance: -0-

9.	Hogwild Pizzeria Business Closed	David S. Mackey	Letter Delinquent Balance: \$1,330.00
13.	Mama Dean's	Meneria D. Morrison Terry L. Morrison	TD: 4/4/12 TD: 4/4/12 Delinquent Balance: -0-
15	Neon Ice	Brandon S. Pooree William S. Pooree	Active Criminal Summons Active Criminal Summons Delinquent Balance: No Forms
16.	Northern Exposure Business Closed	Kevin M. Laughlin	Arraignment: 4/27/12 Paid: \$6,553.49 (issued new check-cleared) Delinquent Balance: No Forms
19.	Rowdy Beaver Den	Amber M. Biason-Dunn	Active Criminal Summons Paid: \$904.97 Delinquent Balance: -0-
21.	Seafood Market Bar/Grill Business Closed	Craig E. Dowd	Paid: -0- Delinquent Balance: \$4,367.60
22.	Shanghai Chinese and China Garden Businesses Closed	Hsiao L. J. Shen	Active Contempt of Court Delinquent Balance: \$3,090.00
23.	Sipamouane Twin Kitchen	Jeffrey Sipamouane	Arraignment: 4/9/12 Delinquent Balance: -0-
24.	Soul Restaurant & Lounge Business Closed	Casey E. Dighero	Paid: -0- Delinquent Balance: \$118.64
27.	Tim's Pizza (North) Business Closed	Michael A. Stephens	Active Criminal Summons Delinquent Balance: -0-
28.	Uncle Gaylord's Business Closed	Hiram F. Brandon	FTA Warrant Delinquent Balance: No Forms
29.	WOW Japanese Bistro Business Closed	Chong N. Kim	FTA Warrant Delinquent Balance: \$2,042.00

TOTAL: \$7,458.46

CLINTON HOUSE MUSEUM

MONTHLY REPORT

MARCH 2012

The Clinton House Museum had a total of 323 visitors in the month of March.

MUSEUM ACTIVITIES AND EVENTS:

March and the spring weather increased traffic dramatically in the House this month. In addition to having five group tours on the schedule, we continually see visitors from all over the world. Spring Break has also brought in many families from around northwest Arkansas, neighboring states, and those from coast to coast. Additional inventory in the gift shop has increased sales as well. The First Ladies Garden is blooming making the Clinton House a “must stop” for visitors and locals alike.

March 3rd – GROUP TOUR – Arkansas Historical Society, Living History Tour – 12 visitors

March 6th – GROUP TOUR – Arkadelphia, AR – 30 visitors

March 14th – GROUP TOUR – Salvation Army, Spring Campaign – 15 visitors

March 22nd – GROUP TOUR – Backyard Billionaire Tour – 57 visitors

March 23rd – GROUP TOUR – Heritage Club, FAM Tour – 35 visitors

Fayetteville Visitor Center - 2012 Sales & Visitor Count

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
Sales Totals	\$1,863.93	\$4,548.24	\$4,516.75									
2011 Totals	\$854.92	\$1,262.24	\$2,450.88	\$5,220.72	\$7,370.00	\$6,356.51	\$5,707.79	\$9,650.33	\$5,182.26	\$7,221.30	\$4,797.54	\$10,741.22
% Change from 2011	118.0%	260.3%	84.3%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%

Visitor Count	686	1043	1213									
2011 Totals	295	238	691	1301	1454	1463	1441	1457	1313	1189	1103	1283
% Change from 2011	132.54%	338.24%	75.54%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%

2011 Goal = \$30,000/year or \$2,500/month

2011 Totals		2012 Totals	
Sales	\$66,815.71	Sales	\$10,928.92
Visitors	13228	Visitors	2,942

*% Change = divide the difference between the two numbers by the 2010 number
then move the decimal two spaces right*

2011 monthly sales average=	\$5,567.98
2011 monthly visitor average=	1102
2011 sales per visitor =	\$5.05

2012 monthly sales average=	\$3,642.97
2012 monthly visitor average	981
2012 sales per visitor =	\$3.71

Inquiries by State/Country

From: 1/1/2004 To: 3/29/2012

Showing: all records

<i>State/Country</i>	<i>Inquiries</i>
None Entered	20,709
Texas	15,671
Missouri	12,468
Illinois	8,729
Arkansas	8,706
Oklahoma	5,210
Tennessee	4,919
Louisiana	4,837
Michigan	4,818
Florida	4,567
Kansas	4,531
Wisconsin	4,511
Ohio	4,363
Indiana	4,124
California	3,851
Iowa	3,123
Minnesota	3,109
Mississippi	2,772
New York	2,454
Pennsylvania	2,197
Georgia	1,951
North Carolina	1,877
Alabama	1,788
Kentucky	1,631
Virginia	1,373
Nebraska	1,363
New Jersey	1,334
Arizona	1,101
South Carolina	1,096
Colorado	1,045
Washington	897
Maryland	879
Massachusetts	736

Fayetteville Convention & Visitors Bureau

21 S. Block ~ Fayetteville, AR 72701

Phone: (800) 766-4626, (479) 521-5776 ~ Fax: (479) 571-4731 ~ info@experiencefayetteville.com ~ Web:
www.experiencefayetteville.com

Inquiries By Source

From: 3/1/2012 To: 3/31/2012

Showing: all records

<i>Source</i>	<i>Inquiries</i>	<i>\$/Inquiry</i>
Travel Guides Free	417	\$0.00
Travel Information.com	259	\$0.00
@ Website	235	\$0.00
UA Graduate School	93	\$0.00
Midwest Living	9	\$0.00
	1,013	

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Oregon	578
West Virginia	542
Connecticut	496
Ontario	458
South Dakota	446
Nevada	414
New Mexico	400
North Dakota	318
Utah	302
Quebec	252
New Hampshire	241
Idaho	227
Maine	225
Montana	197
Delaware	178
Alaska	162
Rhode Island	135
Wyoming	123
Hawaii	120
Vermont	104
Alberta	93
British Columbia	88
Puerto Rico	81
Manitoba	64
Nova Scotia	51
Washington, DC	50
New Brunswick	48
Saskatchewan	32
New Foundland	24
AE	20
ca	19
Irn	18
CANADA	11
AP	8
Prince Edward Island	7
CROATIA	7
Guam	5
OT	3
TURKEY	3
AUSTRALIA	3

Total: 149,293

Fayetteville Convention & Visitors Bureau

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www.experiencefayetteville.com

Virgin Islands	2
Netherlands	2
Argentina	2
ENGLAND	2
Finland	1
ENGLAND U.K.	1
Turkey 06650	1
UNITED KINGDOM	1
Australia 2162	1
TURKEY 06100	1
Italy	1
Northumberland	1
Northwest Territories	1
PR	1
Mexico	1
Russia	1
Luxemborg	1
Korea	1
South Africa	1
Thailand	1
Japan	1
France	1
Sweden	1
Indonesia	1
Switzerland	1
Taiwan	1
Mlt	1
Greece	1
Germany	1
The Netherlands	1
Spain	1

Total: 149,328

Fayetteville Convention & Visitors Bureau

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www.experiencefayetteville.com

Definite Bookings By Booking Date

March 2012

	Meeting Dates	Attn	Peak	Rooms	\$ Value
Hooten's	08/30/2012	15,000	50	50	1,557,000
Kickoff Classic	08/30/2012				
Sub-Total for March	1 Meetings	15,000		50	\$1,557,000
GRAND TOTAL	1 Meetings	15,000		50	\$1,557,000

Fayetteville Town Center, Manager's Activity Report

March 1, 2012 to March 31, 2012

Sales:

	MARCH 2011 (base)	MARCH 2012	Month % Change	YTD 2011	YTD 2012	YTD % Change
Sales (# returned contracts by log date – GL)	21	14	(33%)	54	41	(24%)
Complete Events (Paid/Sponsored) (EMS Calendar)	17	21	24%	44	49	11%
Sales (\$ returned contracts by log date – GL)	\$27,189.00	\$22,275.00	(18%)	\$78,811.75	\$83,353.00	6%
Collections ** (\$ - Payment Log)	\$31,269.10	\$31,968.07	2%	\$83,375.53	\$95,615.43	15%
\$ Executed Contracts	\$35,950.00	\$34,550.00	(4%)	\$108,585.00	105,350.00	(3%)
Credit (\$ - GL)	-0-	-0-	NA	-0-	-0-	N/A
Average per event (\$ Sales / # Sales)	\$1,294.71	\$1,591.07	23%	\$1,459.48	\$2,033.00	39%

Operations Items:

- Carpet Cleaned.
- Getting quote on roof re-surfacing.
- Working with Simplex-Grinnell on trouble alarm.

Sales and Coordination:

- Fayetteville Teen Leadership-Mock Crime Scene—Working with Chamber on this.
- Non-profit organizations - Lifesource, AR Support Network, and the Rain Garden Academy.
- We worked with the Visitors Bureau on coordinating and hosting the Arkansas Historical Society State Meeting which was a three day conference filled with historical artifacts, lectures, and workshops.
- University events - Kappa Kappa Gamma, Sigma Chi, and Sound of Africa, University Relations, Walton College Business, and College Education and Health Professionals. Most of these events are re-bookings.
- We have also booked NABC Conference-a 3 day full facility event with the Plant Pathology Dept.
- Here Comes the Bride a Town Center ticketed Event –. We had 150-200 total attendance with over 30 vendors. Ticket sales were over \$1,000.00.
- Hospitality Summit – Event promoting the Hospitality industry through continuing education and networking opportunities. We worked with the Visitors Bureau and UA Hospitality students who coordinated this event.
- Dig In – a nonprofit group centered on organic food and the importance of local farmers feeding the less fortunate.

Event List:

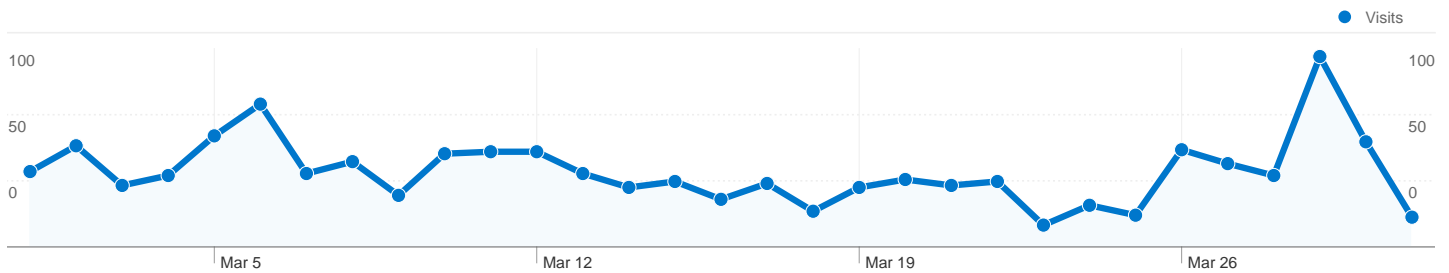
- | | |
|--|--|
| <ul style="list-style-type: none"> • March 2 – AR Living History • March 2 – Dig In! • March 3 – AR Living History • March 4 – AR Living History • March 6 – ASCE • March 6 – Walton College of Business • March 11 – Here Comes the Bride • March 14 – Hospitality Summit • March 15 – Fred Pryor • March 15 – PepsiCo • March 16 – Fred Pryor | <ul style="list-style-type: none"> ▪ March 16 –Galbavi ▪ March 17 - Galbavi ▪ March 23 - Franklin-Covey ▪ March 27 – Fred Pryor ▪ March 28 – UA Industrial Engineering ▪ March 28 – Fred Pryor ▪ March 29 – Blue Cliff ▪ March 30 – I'm with Miller ▪ March 31 – Dover ▪ March 31 – West Fork Prom |
|--|--|

Event Breakdown

Non-profit events – 33%
UA events – 14%

Social events – 14%
Corporate events – 33%

FTC event – 5%



Site Usage

1,174 Visits

45.40% Bounce Rate

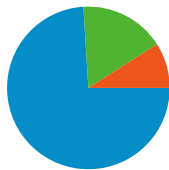
3,186 Pageviews

00:01:25 Avg. Time on Site

2.71 Pages/Visit

75.72% % New Visits

Traffic Sources Overview



- **Search Engines**
869.00 (74.02%)
- **Referring Sites**
199.00 (16.95%)
- **Direct Traffic**
106.00 (9.03%)

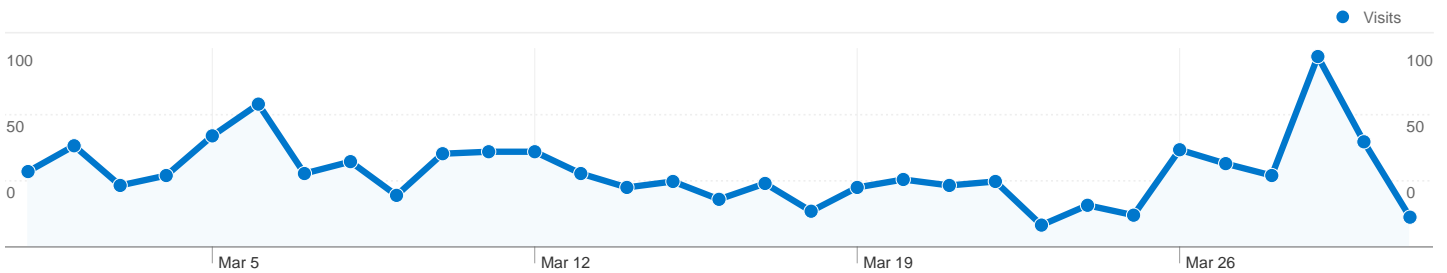
Content Overview

Pages	Pageviews	% Pageviews
/NaN	2,600	81.61%
/	180	5.65%
/wedding.shtml	70	2.20%
/location.shtml	60	1.88%
/social.shtml	55	1.73%

Traffic Sources Overview

Mar 1, 2012 - Mar 31, 2012

Comparing to: Site



All traffic sources sent a total of 1,174 visits



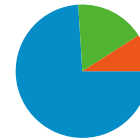
9.03% Direct Traffic



16.95% Referring Sites



74.02% Search Engines



■ Search Engines

869.00 (74.02%)

■ Referring Sites

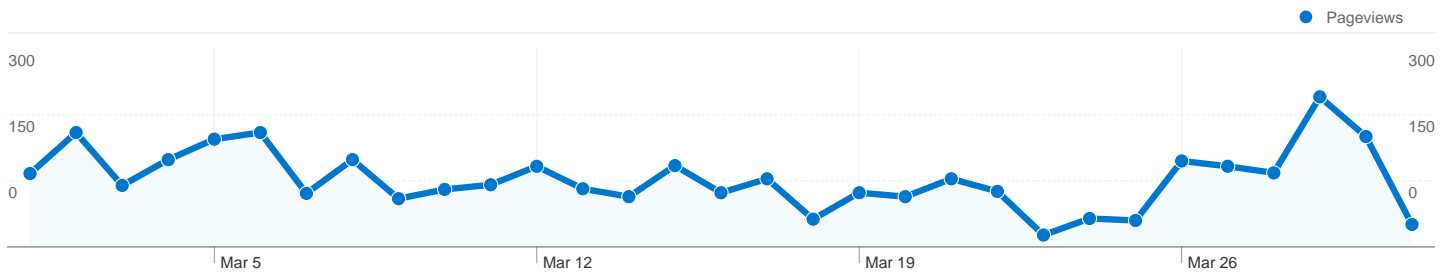
199.00 (16.95%)

■ Direct Traffic

106.00 (9.03%)

Top Traffic Sources

Sources	Visits	% visits	Keywords	Visits	% visits
google (organic)	748	63.71%	fayetteville town center	278	31.99%
(direct) ((none))	106	9.03%	(not provided)	132	15.19%
bing (organic)	58	4.94%	town center fayetteville ar	38	4.37%
facebook.com (referral)	56	4.77%	dogwood room fayetteville town	24	2.76%
yahoo (organic)	44	3.75%	fayetteville ar town center	23	2.65%



Pages on this site were viewed a total of 3,186 times

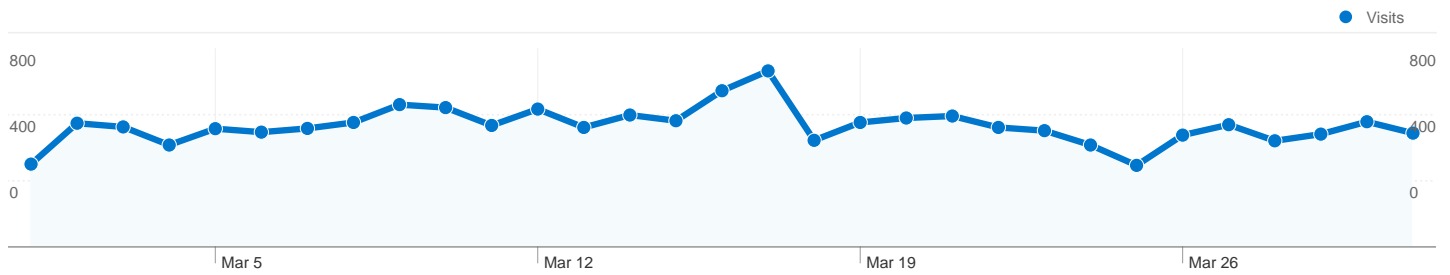
 **3,186** Pageviews

 **1,449** Unique Views

 **45.40%** Bounce Rate

Top Content

Pages	Pageviews	% Pageviews
/NaN	2,600	81.61%
/	180	5.65%
/wedding.shtml	70	2.20%
/location.shtml	60	1.88%
/social.shtml	55	1.73%



Site Usage

15,155 Visits

46.43% Bounce Rate

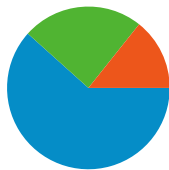
49,651 Pageviews

00:02:30 Avg. Time on Site

3.28 Pages/Visit

79.12% % New Visits

Traffic Sources Overview

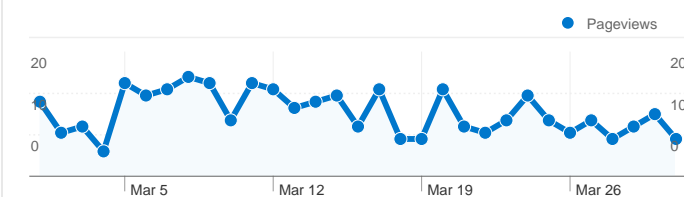


- **Search Engines**
9,340.00 (61.63%)
- **Referring Sites**
3,650.00 (24.08%)
- **Direct Traffic**
2,165.00 (14.29%)

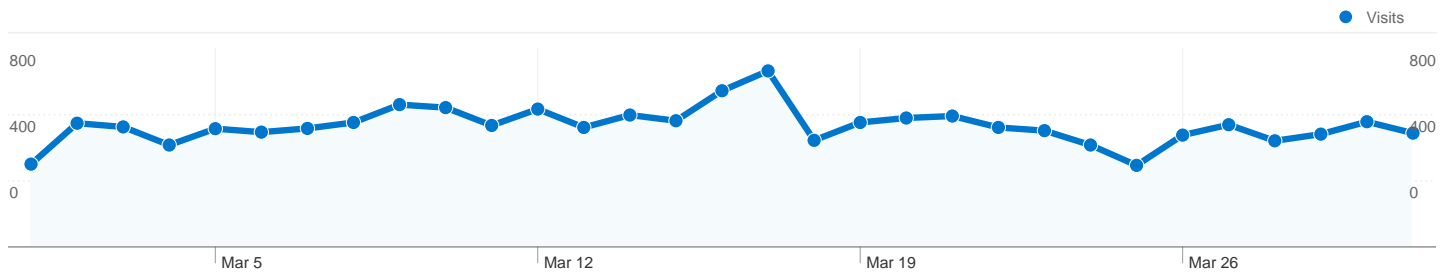
Content Overview

Pages	Pageviews	% Pageviews
/play.php	7,337	14.78%
/	6,639	13.37%
/calendar.php	5,680	11.44%
/eat.php	1,548	3.12%
/visitors.php	1,526	3.07%

Content Detail: /2011VisitorsGuide



Pageviews
318



All traffic sources sent a total of 15,155 visits

14.29% Direct Traffic

24.08% Referring Sites

61.63% Search Engines



■ Search Engines
9,340.00 (61.63%)
■ Referring Sites
3,650.00 (24.08%)
■ Direct Traffic
2,165.00 (14.29%)

Top Traffic Sources

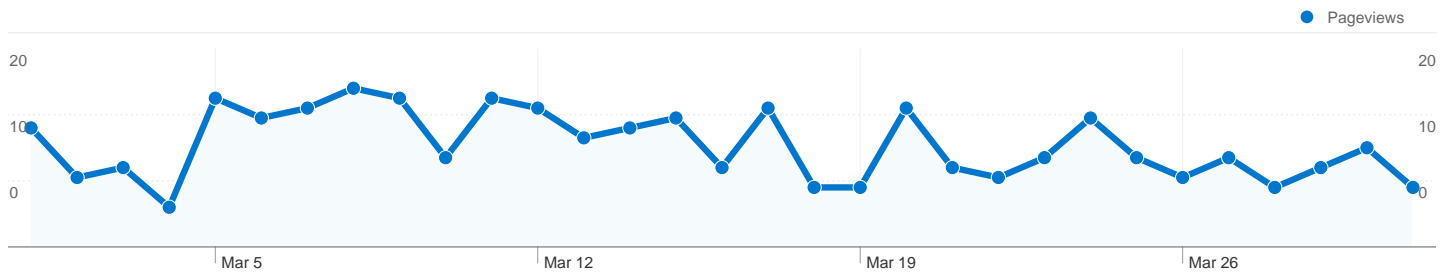
Sources	Visits	% visits	Keywords	Visits	% visits
google (organic)	8,162	53.86%	(not provided)	1,387	14.85%
(direct) ((none))	2,165	14.29%	fayetteville ar	779	8.34%
facebook.com (referral)	1,396	9.21%	things to do in fayetteville ar	649	6.95%
yahoo (organic)	563	3.71%	fayetteville arkansas	390	4.18%
bing (organic)	421	2.78%	fayetteville, ar	121	1.30%

Content Detail:

/2011VisitorsGuide


Mar 1, 2012 - Mar 31, 2012


Comparing to: Site



This page was viewed 318 times

 **318** Pageviews

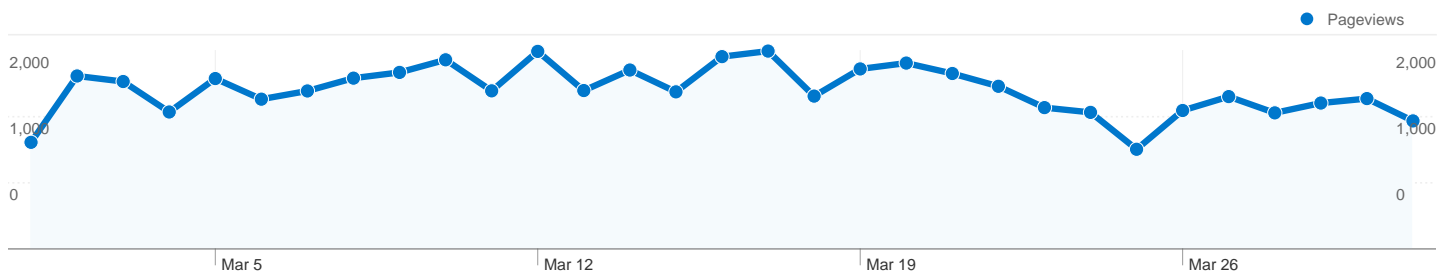
 **291** Unique Views

 **00:04:36** Time on Page


 **100.00%** Bounce Rate


 **56.29%** % Exit

 **\$0.00** \$ Index



Pages on this site were viewed a total of 49,651 times

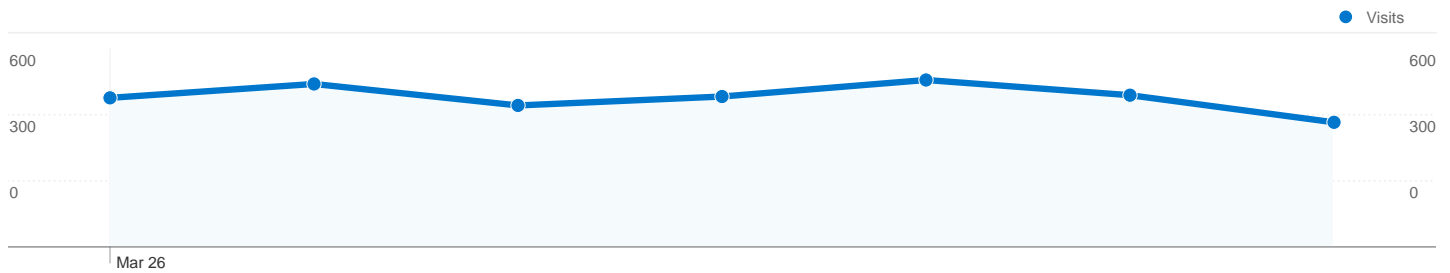
 **49,651** Pageviews

 **37,418** Unique Views

 **46.43%** Bounce Rate

Top Content

Pages	Pageviews	% Pageviews
/play.php	7,337	14.78%
/	6,639	13.37%
/calendar.php	5,680	11.44%
/eat.php	1,548	3.12%
/visitors.php	1,526	3.07%



Site Usage

3,168 Visits

49.59% Bounce Rate

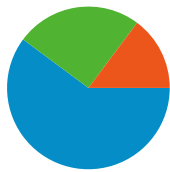
9,594 Pageviews

00:02:16 Avg. Time on Site

3.03 Pages/Visit

77.97% % New Visits

Traffic Sources Overview

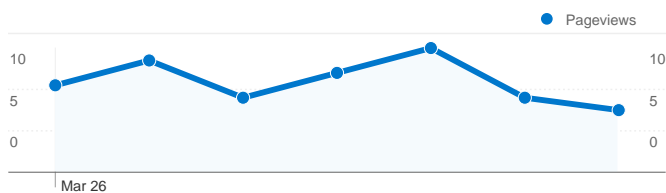


- Search Engines
1,906.00 (60.16%)
- Referring Sites
794.00 (25.06%)
- Direct Traffic
468.00 (14.77%)

Content Overview

Pages	Pageviews	% Pageviews
/	1,431	14.92%
/play.php	1,206	12.57%
/calendar.php	1,169	12.18%
/eat.php	323	3.37%
/historicalAttractions.php	276	2.88%

Content Detail: /2011VisitorsGuide

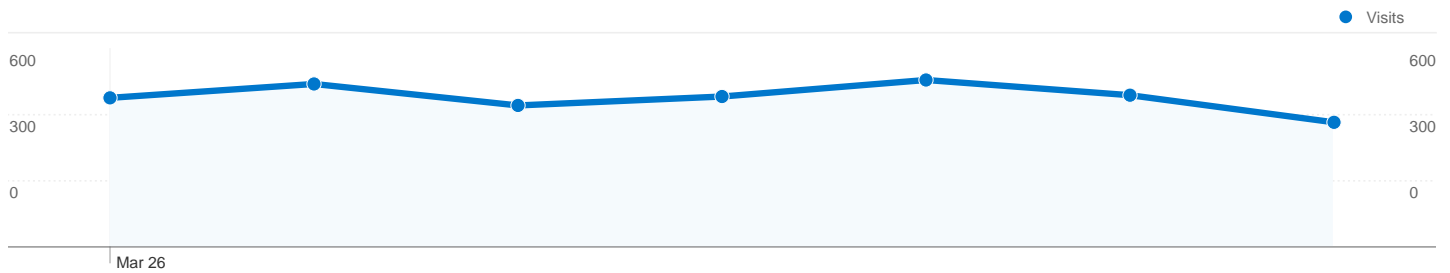


Pageviews
51

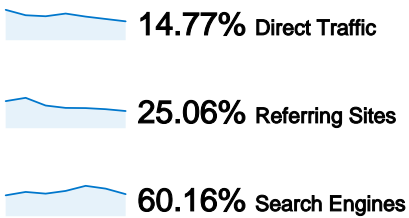
Traffic Sources Overview

Mar 26, 2012 - Apr 1, 2012

Comparing to: Site



All traffic sources sent a total of 3,168 visits



■ Search Engines
1,906.00 (60.16%)

■ Referring Sites
794.00 (25.06%)

■ Direct Traffic
468.00 (14.77%)

Top Traffic Sources

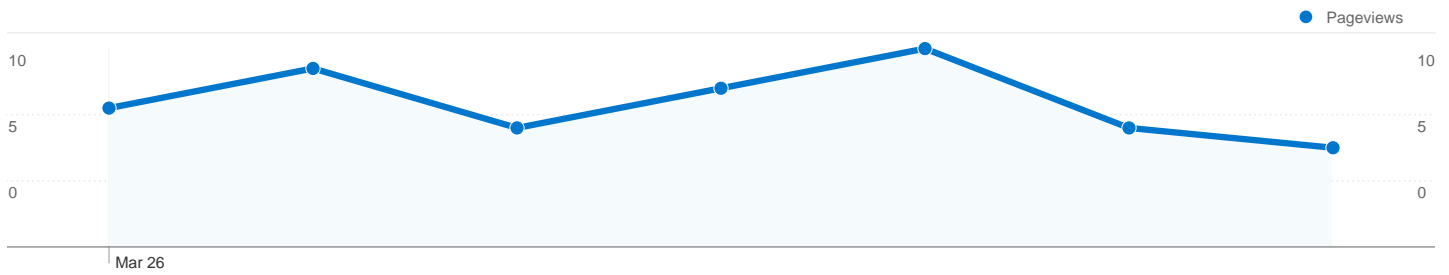
Sources	Visits	% visits	Keywords	Visits	% visits
google (organic)	1,695	53.50%	(not provided)	288	15.11%
(direct) ((none))	468	14.77%	fayetteville ar	147	7.71%
facebook.com (referral)	254	8.02%	things to do in fayetteville ar	106	5.56%
yahoo (organic)	92	2.90%	fayetteville arkansas	74	3.88%
accessfayetteville.org (referral)	80	2.53%	fayetteville, ar	26	1.36%

Content Detail:

/2011VisitorsGuide

Mar 26, 2012 - Apr 1, 2012


Comparing to: Site





This page was viewed 51 times

 51 Pageviews

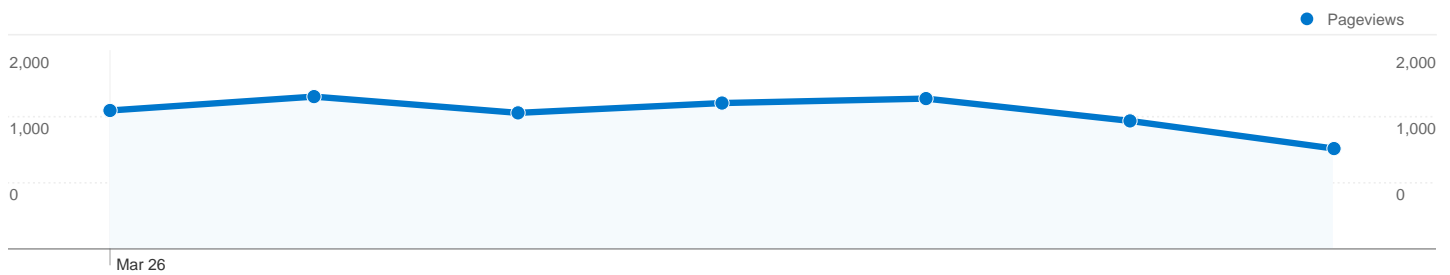
 47 Unique Views

 00:03:26 Time on Page

 100.00% Bounce Rate

 58.82% % Exit

 \$0.00 \$ Index



Pages on this site were viewed a total of 9,594 times

9,594 Pageviews

7,292 Unique Views

49.59% Bounce Rate

Top Content

Pages	Pageviews	% Pageviews
/	1,431	14.92%
/play.php	1,206	12.57%
/calendar.php	1,169	12.18%
/eat.php	323	3.37%
/historicalAttractions.php	276	2.88%

RESTRICTED USE REPORT

LAND AND RESTAURANT/OFFICE BUILDING LOCATED AT

“THE OLD POST OFFICE”
1 CENTER STREET, FAYETTEVILLE,
WASHINGTON COUNTY, ARKANSAS

FOR

SANDRA BENNETT
FAYETTEVILLE ADVERTISING & PROMOTION COMMISSION
FAYETTEVILLE, ARKANSAS

AS OF

DATE OF REPORT – MARCH 19, 2012
DATE OF INSPECTION – MARCH 15, 2012
DATE OF VALUATION – MARCH 15, 2012

BY

STUART SANDERS, STATE CERTIFIED
GENERAL REAL ESTATE APPRAISER, CG 1738

HANK BROYLES, STATE REGISTERED
REAL ESTATE APPRAISAL TRAINEE, SR 3635

PARRISH APPRAISALS, INC.
P.O. BOX 846
FAYETTEVILLE, ARKANSAS 72702





MARCH 19, 2012

Sandra Bennett
Fayetteville Advertising & Promotion Commission
Fayetteville Town Center Building
Fayetteville, AR 72701

RE: Restricted Use Report regarding the **Minimum Market Value** of a commercial building and lot located at 1 Center Street, Fayetteville, Washington County, Arkansas.

TO: Sandra Bennett;

Pursuant to your request, I have conducted an investigation of and improved tract of land located at **1 Center Street, Fayetteville, Washington County, Arkansas.**

The purpose of this Analysis Report is to estimate and assist the client in establishing market value for use in internal decision matters as of March 15, 2012.

As per our agreement, the data and analysis is presented in a Summary Format and the report does deviate from the USPAP, as permitted upon agreement between client and appraiser. At our client's request, the results of our investigation and analyses, which comprise a **Restricted Use Report Estimate**, are being presented via a **Restricted Use Report Format**. Therefore, the appraiser invokes the departure rule as allowed under Appraisal Standards Nos. 1 and 2, Rule 2-2, adopted by the Appraisal Standards Board on March 22, 1994, effective July 1, 1994, and revised January 1, 2000. Only the Sales Comparison Approach was deemed appropriate. The appraiser's opinions and conclusions set forth in this reports may not be understood without additional information in the appraisers work file. A full file memorandum is maintained in my office.

We certify that, to the best of our knowledge and belief,

- (1) INSPECTION-An interior and exterior inspection of the subject property was conducted on March 15, 2012.
- (2) PROPERTY CHARACTERISTICS-The subject property is an improved commercial plot of land with a 14,278+/-sf two-story building (includes basement) located in the city of

Fayetteville, Arkansas. We are familiar with the physical and economic trends in the subject's market areas from past research and experience.

(3) CONDITIONS OF ASSISIGNMENT-This report is intended to assist in establishing market value for use in internal decision matters as of March 15, 2012.

(4) EXTENT OF RESEARCH- Based upon the requirements of the client and the intended use of the report the Cost Approach (Land Only), Sales Comparison Approach, and the Income Approach to value were analyzed and are deemed to be sufficient to solve the appraisal problem.

(5) EXTENT OF DATA RESEARCH - We researched the sales data for this assignment using county records and Sales information using the MLS system. We have researched the sales of lots and office buildings which were considered similar and analyzed comparable sales data in the surrounding area.

LEGAL DESCRIPTION

A part of block 27 of the Original Town Plat of Fayetteville, Arkansas. Beginning at a point which is 182.52 feet West and 57.60 feet South of the Northeast corner of said Block 27 to the NW corner of a now existing Old Post Office Building; thence with the foundation of said building the following bearings and distances: South 21.45 feet, West 3.9 feet, South 7.85 feet, East 3.9 feet, South 21.6 feet, East 17.2 feet, South 7.0 feet, East 6.3, South 25.65 feet, East 38.3 feet, North 4.2 feet, East 10.6 feet North 18.0 feet, West 4.3 feet, North 10.5 feet, East 17.05 feet, North 6.55 feet, East 3.9 feet, North 7.20 feet, West 3.9 feet, North 24.4 feet, East 3.9 feet, North 7.15 feet, East 3.9 feet, North 3.8 feet, East 2.3 feet, West 2.3 feet, South .5 feet, West 5.65 feet, North 3.9 feet, West 7.15 feet, South 3.9, West 2.15 feet, North 1.05 feet, West 55.2 feet, South 1.1 feet, to the point of beginning, all being situated in Washington County, Arkansas.

REAL PROPERT INTEREST APPRAISED

Fee Simple Interest.

INTENDED USE OF THE APPRAISAL

The purpose of this appraisal is for internal decision matters as of the effective date of the appraisal.

EFFECTIVE DATE OF THIS APPRAISAL

The effective date of the Appraisal is March 15, 2012.

The property was inspected on March 15, 2012.

EFFECTIVE DATE OF REPORT

The effective date of the Report is March 19, 2012.

FUNCTION OF APPRAISAL

The function of this Appraisal is to estimate the Market Value of the subject property, "As Is", for use in internal decision matters.

HIGHEST AND BEST USE AS IMPROVED

The highest and best use for the subject property as improved is for continued use as a commercial restaurant /office building.

HYPOTHETICAL CONDITION(s)

N/A

EXTRAORDINARY ASSUMPTIONS

The exact site size for the subject property is unknown as the client did not provide a survey. The site size is based on the legal description provided by the client, which is apparently incorrect. The appraiser has estimated the site size to be 6,050+/- SF. This is considered an extraordinary assumption. The appraiser further assumes that the subject improvements do in fact lie on the subject site. This is nearly impossible to determine without a site survey. If either or both of these extraordinary assumptions prove to be untrue, the appraiser reserves the right to alter the appraisal report and/or its value conclusion.

ANALYSIS OF CONTRACT/LISTING

It is the appraisers understanding that subject property is not currently listed for sale, under option to purchase or under contract. Apparently some recent offers and counter offers have been made concerning the subject property, however, the appraiser has not been presented with these contracts, and is not familiar with their particular terms. We can not comment concerning their validity or whether or not they are at/below/above market value. The property has not changed ownership since at least 1985.

SCOPE AND BASIS OF THE APPRAISAL

This appraisal has been made in accordance with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation (12 C.F.R.). At our client's request, the results of our investigation and analyses, which comprise a **Complete Appraisal**, are being presented via a **Restricted Use Appraisal Report Format** as permitted by Standard 2-2b. The value set forth herein was estimated after application and analysis of the applicable approaches to value, i.e., the Cost (Land Only), Sales Comparison and Income Approaches to value were utilized in this Report. This appraisal included the inspection of the subject property on March 15, 2012, and an analysis of the surrounding neighborhood with recognition of existing and future trends. Market data, including sales and listing of comparable properties were obtained from sources believed to reliable. There was no personal property (except minimal contributory of restaurant fixtures) included in this valuation process.



LAND VALUE

The Direct Sales Approach Method was utilized to derive the value of the land "as if" unimproved. Land sales were located in the subject and competing market areas. These sales were compared to the subject "As If Vacant" and adjusted for any differences. Additionally, the land value must be estimated. The following table is a summary of the land sales utilized in this analysis.

SUMMARY OF LAND/IMPROVED SALES

Sale No.	Location	Sale Price	Sale Date	SF Land	Price/SF
Subj.	1 Center Street - Fayetteville	(Land Only)		6,000	
1	3 East Rock, Fayetteville	\$200,000	07/07	18,630	\$10.74
2	305 N University, Fayetteville	\$131,000	12/10	5,063	\$25.87
3	6thSt/Eastern Ave, Fayetteville	\$350,000	02/09	19,223	\$18.21
4	2372 College Ave, Fayetteville	\$275,000	02/11	19,166	\$14.35

Statistical Conclusion from Market Data:

Mean: \$17.29 per s.f.

Median: \$16.28 per s.f.

Land Value @ \$22 SF X 6,050 SF = \$133,100Say \$133,000

Sale	1	2	3	4
Price	\$200,000	\$131,000	\$350,000	\$275,000
Square Footage	18,630	5,063	19,223	19,166
Acres	0.43	0.12	0.44	0.44
Price/SF	\$10.74	\$25.87	\$18.21	\$14.35
Property Rights	0	0	0	0
Conditions of Sale	0	0	0	0
Months Since Sale	56	16	37	13
Market Conditions	<u>(\$2.40)</u>	<u>(\$1.66)</u>	<u>(\$2.69)</u>	<u>(\$0.75)</u>
After Market Cond.	\$8.33	\$24.22	\$15.51	\$13.60
Location	6.25	4.84	5.43	4.76
Topography	0.00	0.00	0.00	0.00
Shape	0.00	0.00	0.39	0.61
Size	1.25	0.00	2.33	2.04
Road Frontage	(1.17)	(3.15)	(1.86)	(1.09)
Utilities	0.00	0.00	0.00	0.00
Improvements	0.00	0.00	(1.00)	(1.15)
Indicated Value/SF	14.66	25.91	20.80	18.77
% of Adjustment	37%	0%	14%	31%
Mean	\$20.04			
Median	\$19.79			
Best Sales	\$25.91			
Market Value	\$21.91	Say \$22		

The Subject property is Zoned Main Street Center that allows for commercial office use and the property is improved with a 14,278+/-sq.ft. (includes basement) wood-framed and concrete (brick) Class "C", commercial building on a concrete basement. The effective age of the building is 25+/- years. The economic life of the building is estimated at 80 years. The structures general appeal is considered to be average.

The commercial sales comps are considered similar to the subject and are to be used in the Direct Sales Comparison Approach listed in the Summary below.

SUMMARY OF IMPROVED SALES – BUILDING ONLY

Sale	Address	Sale Date	Sale Price	SF Bldg.	Sale Price Per SF
Subj.	1 Center St -Fayetteville			14,278	
1	106 Block, Fayetteville	10/11	\$242,000	6,889	\$26.10
2	315 W. Mountain, Fayetteville	09/11	\$575,000	6,144	\$58.43
3	115 N. Block St, Fayetteville	12/11	\$425,000	2,705	\$84.80
4	509 Spring St, Fayetteville	02/11	\$1,850,000	45,000	\$27.60
5	15 Church St, Fayetteville	08/11	\$256,000	6,689	\$10.65
6	113 Walnut Ave, Rogers	04/11	\$267,000	6,500	\$41.08

Sale	1	2	3	4	5	6
Price	\$242,000	\$575,000	\$425,000	1,850,000	\$256,000	\$267,000
Property Rights	0	0	0	0	0	0
Conditions of Sale	0	0	0	0	0	0
Months Since Sale	5	6	3	13	7	11
Market Conditions	<u>(\$2,420)</u>	<u>(\$6,900)</u>	<u>(\$2,550)</u>	<u>(\$48,100)</u>	<u>(\$3,584)</u>	<u>(\$5,874)</u>
After Mkt Cond.	\$239,580	\$568,100	\$422,450	\$1,801,900	\$252,416	\$261,126
Site Value	130,000	216,000	110,000	600,000	175,000	26,000
Time Adjustment	(\$2,600)	(\$5,184)	(\$1,320)	(\$31,200)	(\$4,900)	(\$1,144)
Updated Site Value	\$127,400	\$210,816	\$108,680	\$568,800	\$170,100	\$24,856
Site Adjustment	\$5,600	-\$77,816	\$24,320	-\$435,800	-\$37,100	\$108,144
Gross Building Size	4,291	6,144	2,705	45,292	6,689	6,482
Bld Size Adj.	\$170,142	\$92,316	\$236,754	-\$775,950	\$69,426	\$78,120
Extra Features	\$130,000	\$130,000	\$109,000	\$100,000	\$130,000	\$130,000
Building Age	\$0	\$0	-\$39,400	-\$218,750	\$105,000	\$24,100
Building Quality	\$16,800	\$53,900	\$47,250	\$93,800	\$12,200	\$48,200
Historic Premium	\$30,300	\$71,900	\$53,100	\$231,250	\$32,000	\$33,400
Site Improvements	-\$2,500	-\$4,200	-\$5,700	-\$8,900	-\$8,900	\$0
Indicated Value	\$589,922	\$834,200	\$847,774	\$787,550	\$555,042	\$683,090
% of Adjustment	144%	45%	99%	-57%	117%	156%
Weighted	1	2	1	2	1	1
Mean	\$716,263					
Median	\$735,320					
Weighted Average	\$739,916					
Market Value	\$730,500					

INCOME APPROACH

The income approach to value is predicated on the assumption that there is a direct relationship between the amount of income a property produces and its market value. In this approach, the appraiser processes expected future income benefits into an indication of value. Value is therefore the present value of future income a property will likely generate. This approach depends upon the accuracy of three basic steps; they are: forecasting income and expenses; deriving a net income and selecting or developing an appropriate rate; and capitalizing the net income at an appropriate rate of return by the property method.

In applying the income approach, the appraiser follows certain steps. He projects the quantity of the prospective gross income after considering the record of actual gross income in previous years and current contract rent, market rental rates for comparable space and the effect of vacancy and/or credit loss. He projects the quantity of expenses after considering the record of actual expenses for previous years, and expense histories of comparable properties, and by abstraction, computes the expected net operating income to be capitalized. The Income Stream is analyzed by way of several methods as follows:

1. Obtain actual rent schedules for the property being appraised as well as the comparable properties in the area, then derive the gross rental data as well as projected gross income expectancy.
2. Appraiser obtains and analyzes the actual occupancy data for the subject property and for the comparable properties in the area. Then a projected occupancy rate is estimated for the subject property which is deducted from the gross income to arrive at an adjusted gross income estimate.
3. Appraiser obtains and analyzes expense data such as taxes, insurance, utilities, and other pertinent costs for the property being appraised and other comparable properties in the

area. An expense estimate is derived for the property which is deducted from the adjusted gross income to derive a net income estimate.

4. An estimate of the remaining economic life is made to establish an estimated life of the income stream.
5. Appraiser selects the appropriate capitalization rate.
6. Using capitalization rate, appraiser derives estimated market value by way of net income.

The net income is capitalized by the appropriate rate and method, to derive an estimate of value for the property being appraised, by the formula, $\text{Value} = \text{Income} \div \text{Rate}$.

ANALYSIS OF GROSS ECONOMIC RENT AND GROSS INCOME ESTIMATE

The subject property is an improved restaurant/office building. Improved office rentals have been utilized. The property is an occupied office building with parking area. The typical lease arrangement for this property type is a triple net agreement. The Lessee pays utilities, taxes and maintenance costs, and some improvement costs when desired by the tenant (Lessee). In any event, proper appraisal technique dictates that income and expenses be derived from the marketplace.

SUMMARY OF RENTAL DATA

The subject property consists of one, 14,278 sq. ft. (includes basement area) commercial restaurant/bar/office structure, to be occupied by three or more tenants. The property is currently about 10%. The property is in below average condition and it is assumed that it might be leased on a gross basis, with the Lessor responsible for actual expenses, including routine maintenance and utilities.

TOTAL PROJECTED GROSS RENTAL INCOME \$117,912

Listed below are the subject's actual rentals which are indicative of the Central Fayetteville Restaurant/Office Market:

Lessor	Suite #'s	Projected Monthly Rents	Square Ft.	Rate/SF/YR
Vacant Basement	Basement	\$2,968	5,936	\$6.00
Vacant Restaurant/Bar	Street Level	\$4,452	5,936	\$9.00
Partially Occupied Office Space	Upper Level	\$2,406	2,406	\$12.00
Average Blended Rate				\$7.26

The subject property consists of a total of 14,278 +/- SF. Subject's rents support a blended rate of \$7.26/SF/YR for the subject.

Gross Potential Operating Income (GPI) is the total income that the property could be expected to produce at full (100%) occupancy, with no deduction for possible collection loss. The subject property will be a mixed use building with full occupancy. Projected GPI for the first (1st) year of the projected holding period is **\$117,912.**

Vacancy & Collection (V&C) Loss refers to the periodic loss of potential gross operating income due to a projected stabilized rate of vacancy or uncollected rents (etc.) over an entire holding period. It is usually stated as a percentage of potential gross operating income.

When the purpose of analysis is to obtain an indicated Market Value, determination of the appropriate allowance for this consideration should be based on the typical rates of vacancy and/or collection loss for the type of property being analyzed. In this regard, a reasonable allowance for V & C Loss is typically warranted -- even if the property being analyzed has a history of 0% V & C Loss, or is leased (at full occupancy) for the foreseeable future. This is true, for instance, where typical operations of similar properties reflect losses of potential gross income due to these causes. Based on similar properties in the market area the property should experience approximately 82% occupancy.

The subject's vacancy is actually 90+%. However the market (4th Quarter 2011, Skyline Report) as a whole is indicates a vacancy of approximately 17.6%. The V & C Loss used in this analysis is 18% or **\$21,224.**

Effective Gross Operating Income (EGI) is the gross income amount actually realized from operation of a property. It is calculated by deducting anticipated market vacancy and collection loss from potential gross operating income. As illustrated by the following income and expense summary, projected Effective Gross Operating Income for the first (1st) year of the projected holding period is **\$96,688.**

Variable Operating Expenses refers to those operating expenses which are often directly influenced by occupancy and/or collection levels for the property being analyzed.

Variable Operating Expenses typically include such expense categories as: Accounting, Administration, Advertising, Contract Services, Repair & Maintenance, Management, Utilities, Etc. In other words, Variable Operating Expenses include any legitimate operating expense (other than Fixed Operating Expenses and Reserves for Replacement) which would typically be incurred in operating an income producing property under sound management practices. As illustrated by the following income and expense summary:

Variable Operating Expense	
Management (Market Rate @ 5% of EGI)	\$4,834
Maintenance/Repairs (Market Rate @ 5% of EGI)	\$4,834
Estimated Miscellaneous Expense	\$1,000

Variable Operating Expenses for the first (1st) year of the holding period are projected at **\$10,669.**

Fixed Operating Expenses refers to those operating expenses which are not usually influenced by occupancy and/or collection levels for the property being analyzed.

Since the Assessed Value of a property, and its resulting property tax liability, is not usually considered to be effected by variations in occupancy levels, Property Tax is generally considered to be a Fixed Operating Expense. Likewise, Real Estate Insurance expense is generally regarded as being a Fixed Expense since it is relatively unaffected by yearly variations in a property's occupancy level. As illustrated by the following income and expense summary:

Fixed Operating Expense	
Property Tax (Based on actual)	\$5,822
Estimated Building Insurance (Market Rate (.31/sf))	\$ 4,400

Fixed Operating Expenses for the first (1st) year of the holding period are projected at **\$10,222.**

The Replacement Reserves (Reserves) Operating Expense category is a projected allowance for periodic

replacement of short lived component parts of real estate improvements. This expense category accounts for those reasonably anticipated future expenses that normally occur less frequently than once a year.

In projecting the appropriate replacement reserves allowance, care has been taken to avoid duplication of normal repair & maintenance expenses. Expenses for such things as roof repairs, interior and/or exterior painting, and other normal maintenance items are typically not considered under replacement reserves. As illustrated by the following income and expense summary, projected Reserves for the first (1st) year of the holding period are projected at **\$3,033**.

Net Operating Income (NOI) is that annual income amount left over after all operating expenses have been deducted from effective gross operating income. As shown below, this income capitalization analysis does not consider annual debt service or income tax as operating expenses. NOI for the first (1st) year of the holding period is projected at **\$72,764**

An Overall Capitalization Rate (OAR) is a ratio of one year's Net Operating Income to the Value of the property that produces that income.

It is used in the Income Capitalization Approach to convert anticipated future income into an indicated value. When the rate is applied directly to the forecast income (dividing the income by the rate), the procedure is called "Direct Capitalization".

An OAR can be obtained by various generally accepted methods and/or techniques. These include: the Comparative Method, Band-of-Investment Techniques, the Built-Up Rate Method, Yield Analysis Methods, and others. Regardless of how its obtained, an OAR is nothing more than a measure of the relationship between a property's Value and its NOI for one (particular) year.

Mortgage Constant (Rm) is the ratio of uniform annual mortgage payments (principal and interest) to the initial loan amount. It is analogous to a mortgage capitalization rate.

An Equity Dividend Rate (Re) is a ratio of one year's Equity Dividend to the Value of initial Equity Investment. For Appraisal Purposes, the equity capitalization rate for the subject property is the anticipated return to the investor, usually for the first year of the holding period.

The following terms are indicated by Northwest Arkansas Financial Institutions on mortgage loans on properties of the subjects nature:

Typical Interest Rate (Variable)	7.5%
Amortization Period	20 Year
Loan to Value Ratio	80%
Annual Constant (based on 7.5%, 20 year term)	.0966712
Debt Coverage Ratio	1.2-1.25

The First Quarter issue of "Valuation Insights and Perspectives", published by the Appraisal Institute provides a range of 5.0% to 10.%, and an average of 6.95% for Class A CBD Office property type investments in the third quarter of 2011. Subject is not Class A Space. They utilize the KORPACZ REAL ESTATE INVESTOR SURVEY conducted by PricewaterhouseCoopers LLP.

Band of Investment or weighted average formula for deriving at an Overall Rate when the mortgage constant and equity dividend rates are known is:

$$\begin{aligned} R_o &= M \times R_m + (1-M) \times R_e \\ \text{Therefore:} &= (.80 \times .0966712) + (.20 \times .090) \\ &= .077 + .018 \\ &= .095 \end{aligned}$$

Utilizing the Debt Coverage Formula, the following Overall Rate is indicated:

$$\begin{aligned} R_o &= L/V \text{ Ratio} \times R_m \times \text{Debt Coverage Ratio} \\ &= .80 \times .0966712 \times 1.25 \\ &= .096 \end{aligned}$$

Considering Band of Investment, The Debt Coverage Formula and Market Abstraction, an Overall Rate of **10%** is considered applicable for the subject.

Value = Proposed Net Operating Income/Overall Rate

Value	=	\$72,764/.10
Value	=	\$727,640
Say		\$728,000

SUMMARY OF INCOME APPROACH

The Mortgage Equity Capitalization Method is being used to project expected future income from the subject property. The estimated value of the Subject property via the Income Approach is = \$728,000.

Therefore the indicated value by use of the Income Approach to Value "As Is", as of March 15, 2012 is:

SEVEN HUNDRED TWENTY-EIGHT THOUSAND DOLLARS

\$728,000

I certify that, to the best of our knowledge and belief,

- (1) The statements of fact contained in this report, upon which the analysis, opinions and conclusions expressed herein are based, are true and correct.
- (2) The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and is our personal, unbiased professional analyses, opinions and conclusions.
- (3) I have no present or prospective interest in the property that is the subject of this analysis and I have no personal interest or bias with respect to the property or parties involved with this assignment.
- (4) My compensation is not contingent upon an action or event resulting from the analyses, opinions or conclusions in, or use of, this report, or upon developing or reporting of a predetermined value or direction of value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the use of the appraisal.
- (5) This assignment was not based upon a requested minimum value, a specific valuation, or the approval of a loan.
- (6) My analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP), as promulgated by the Appraisal Standards Board of the Appraisal Foundation, and the Code of Professional Ethics and Standards of the National Association of Master Appraisers.

I hereby certify that I have inspected the property described, by way of a "Complete Physical Inspection." It is felt that all data gathered by my investigation is from sources believed reliable and true.

According to Standards Rule 2-2(c), a Limited Restricted/Summary Appraisal Report should have these minimum requirements:

- Describe the extent of the process, collecting, confirming and reporting data.
- State all assumptions and limiting conditions that affect the analyses, opinions and conclusions.
- State the appraisal procedures followed, state the value conclusion and reference the existence of specific file information in support of the conclusion.

- State the appraiser's opinion of highest and best use of the real estate, when such an opinion is necessary and appropriate.
- State the exclusion of any of the usual valuation approaches.
- Contain a prominent use restriction that limits reliance on the report to the client and warns that the report cannot be understood properly without additional information in the work file of the appraiser, and clearly identify and explain permitted departures from the specific guidelines of Standard 1.
- Include a signed certification in accordance with Standards Rule 2-3.

The function of this appraisal is to assist the client in determining a fair and equitable Market Value of the subject property. The value estimate is based on the real property only. No furniture, equipment or personal property is included in the value estimate.

The value is based on the definition of Market Value as set forth by the FIRREA Act of 1989, effective August 24, 1990. Please refer to the definition in Exhibit "A" following this letter.

In the accompanying report, you will find the results of my investigation containing the facts, analysis and conclusions pertaining to the subject property and the final estimate of value.

As a result of investigation, studies and analyses of sales, offers of sales, and all factors in the marketplace which affect value, it is the opinion and judgment of the appraiser on March 15, 2012, that the analysis supports a **Land Value of:**

ONE HUNDRED THIRTY THREE THOUSAND DOLLARS
\$133,000

As a result of investigation, studies and analyses of sales, offers of sales, and all factors in the marketplace which affect value, it is the opinion and judgment of the appraiser on March 15, 2012, that the Sales Comparison Analysis supports an **Improved Value (Land and Building) of:**

SEVEN HUNDRED THIRTY ONE THOUSAND DOLLARS
\$ 731,000

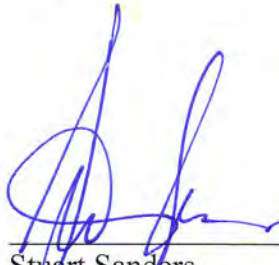
As a result of investigation, studies and analyses of sales, offers of sales, and all factors in the marketplace which affect value, it is the opinion and judgment of the appraiser on March 15, 2012, that the Income Approach Analysis supports an **Improved Value (Land and Building) of:**

SEVEN HUNDRED TWENTY-EIGHT THOUSAND DOLLARS
\$ 728,000

As a result of investigation, studies and analyses of sales, offers of sales, and all factors in the marketplace which affect value, it is the opinion and judgment of the appraiser on March 15, 2012, that the Reconciled Analysis supports an **Improved Value (Land and Building) of:**

SEVEN HUNDRED THIRTY THOUSAND DOLLARS
\$ 730,000

Respectfully submitted,



Stuart Sanders
PARRISH APPRAISALS, INC.
STATE CERTIFIED GENERAL
REAL ESTATE APPRAISER, GC1738



Hank Broyles
PARRISH APPRAISALS, INC.
STATE REGISTERED
REAL ESTATE TRAINEE SR3635

EXHIBIT "A"

Market Value Definition Financial Institution Reform, Recovery and Enforcement Act of 1989 (FIRREA) Effective August 24, 1990

Market Value means *the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus*. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) Buyer and seller are typically motivated;
- (2) Both parties are well informed or well advised, and acting in what they consider their own best interest;
- (3) A reasonable time is allowed for exposure in the open market;
- (4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- (5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

QUALIFICATIONS OF STUART H. SANDERS

EDUCATION

July 1999: **University of Texas** at San Antonio
Bachelor of Business Administration; Finance, Building & Land Development Concentration

PROFESSIONAL COURSES COMPLETED

Real Estate Principles – UTSA—1997; Real Estate Investments – UTSA—1998; Real Estate Appraisal UTSA—1999; Real Estate Finance – UTSA—1999; Building Construction Estimating -- UTSA—1999

The following courses and exams given by The Appraisal Institute have been successfully completed:

Course 101– Uniform Standards Of Professional Appraisal Practice, Update -- 2010
Course 410 – Uniform Standards Of Professional Appraisal Practice, Part A -- 2000
Course 310 – Basic Income Capitalization -- 2001
Course 210 – Residential Case Study – 2000
Course 510 – Advanced Income Capitalization -- 2005
Course 520 – Highest and Best Use – 2003 (Course Only)
Course 530 – Advanced Sales Comparison and Cost Approaches – 2004
Course 540 – Report Writing – 2007
Course 550 – Advanced Applications -2007 (Course Only)
General Appraiser Market Analysis & Highest and Best Use - 2009

WORK EXPERIENCE

August 99 – October 2005; Staff Appraiser for Reed & Associates, Inc.– Springdale, AR
June 06 – Present; Commercial Appraiser for Parrish Appraisals, Inc. – Fayetteville, AR
Condemnation Work - Cities of Rogers, Springdale, Farmington, Fayetteville, Cave Springs & Bentonville;
Public Utilities including; Beaver and Two Ton Water Districts, Swepco, Ozark, and Carroll Electric Co's
Arkansas State Government including; Parks and Recreation, Natural Heritage Commission, Department of Transportation.
United States Government including; Headstart Program, Veterans Administration, Housing and Urban Development

RELEVANT COLLEGE COURSES

Accounting Principles I & II, Business Law, Intro to Communications, Intro to Microeconomics, Intro to Macroeconomics, Principles of Finance, Information Systems Mgt., Organizational Theory, Business Communications, Strategic Management, Principles of Marketing, Management Science, Business Statistics, Principles of Real Estate, Real Estate Investment, Real Estate Mortgage and Banking, Real Estate Law, Construction I, Housing and Land Development, Professional Practice, Arch. Documents, Building & Construction Estimating, Project Development, Construction Management, Urban Planning, Building and Land Development Practicum, Computer Applications in Design I & II.

REFERENCES

Upon Request

Fayetteville Town Center

**15 W. Mountain St.
Fayetteville, AR 72701**

Real Estate Legal Services

DATE ISSUED:

DEADLINE:

Contact Person: Sandra Bennett, (479) 587-9944

REQUEST FOR PROPOSAL **LEGAL SERVICES**

Real Estate Legal Services

The Fayetteville Town Center is requesting proposals for an attorney or law firm to serve as attorney for the Town Center for various real estate matters.

Scope of Services:

The Fayetteville Town Center seeks to retain the services of an independent attorney or firm to provide legal services regarding real estate transactions. The selected attorney will advise in all aspects of real estate including negotiation, drafting and structure of documents and enforcement of contracts or agreements including but not limited to purchase and sale agreements, etc.

Requirements:

Applicants must be licensed to practice law in Arkansas and possess experience in the area of real estate law.

Applicants must include the following information with their response:

- a. Resumes, experience record, etc.
- b. Representative list of clients for whom real estate law services have been performed.
- c. Fee schedule. Will be considered during the negotiating process and will be a factor in the award of any proposed contract.
- d. Past record of malpractice claims or professional conduct claims including the outcome and resolution,

Selection Process:

A. In evaluating the qualifications of each firm or individual, the following items shall be considered:

- (1) Specialized experience and technical competence of the firm with respect to real estate law;
- (2) Capacity and capability of the firm to perform the work in question including specialized services, within the time limitations fixed for the completion of the project;
- (3) Past record of performance of the firm with respect to such factors as control of costs, quality of work and ability to meet schedules and deadlines; and

- (4) Firm's proximity to and familiarity with the area in which the project is located.
- (5) Pricing Schedule

Terms and Conditions:

- 1. Proposal must be submitted no later than March 30th, 2012, 2:00 P.M., Central Standard Time. Proposals received after this date and time will not be opened or accepted for consideration.
- 2. Proposals should be mailed or hand-delivered to:
Fayetteville Town Center
Attn: Sandra Bennett, Facilities Manager
P.O. Box 4157
15 West Mountain Street
Fayetteville, AR 72701
- 3. One (1) copy of each proposal should be provided, in addition to one (1) electronic copy. The use of PDF documents is highly recommended but not required.
- 3. Label your proposal "Real Estate Legal Services" on the outside of the sealed envelope.
- 4. Awarded firm must provide and maintain in force at all times during the term of the contract errors and omissions liability. Proof of such shall be submitted within five (5) calendar days after contract award.
- 5. It shall be clearly understood that any costs incurred by the Proposer in responding to this request is at the Proposer's own risk and expense as a cost of doing business, and the Fayetteville Town Center is not liable for reimbursement to the Proposer for any expense so incurred, regardless of whether or not the proposal is accepted.
- 6. The competitive selection for this request for proposal shall be conducted by a review committee.
- 5. All questions related to Proposals should be addressed to Sandra Bennett- (479) 587-9944 or sbennett@twncenter.com



Davis, Clark, Butt, Carithers & Taylor, PLC

Real Estate Legal Services Proposal to the

Fayetteville Advertising and Promotions Commission

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Real Estate Legal Services Proposal

Davis, Clark, Butt, Carithers & Taylor, PLC (“Davis Law Firm”) submits this Real Estate Legal Services Proposal in accordance with the requirements outlined by the Fayetteville Advertising and Promotions Commission. Davis Law Firm is equipped to provide real estate legal services to the Fayetteville Advertising and Promotions Commission and would be honored to represent the Commission in that capacity.

I. INTRODUCTION

Davis Law Firm is one of the oldest law firms in Northwest Arkansas, with over half a century of experience. We enjoy the best attributes of both small and large firms – close relationships within the firm and with individual clients, the ability to provide clients a wide array of legal services, and the ability to use a team approach with complex and multiparty litigation, issues and transactions. For every client and case, our persistent goal is to obtain the very best result in an efficient, professional manner. We are deeply connected to our community, providing leadership in civic organizations and nonprofit entities. We are also active in state and local bar association matters; and serve on several Supreme Court appointed committees. Above all, we cherish our reputation for honesty, integrity and competence built since 1953.

We practice before all Arkansas local, state and federal courts, the United States Court of Appeals for the Eighth Circuit, and the United States Supreme Court. We also regularly practice before various local, state and federal administrative, regulatory, and governing boards and agencies. Our practice focuses in the Northwest Arkansas counties of Washington, Benton, Carroll and Madison, but extends statewide. We are conveniently located on Mountain Street, just steps from both the Fayetteville Town Center and the Fayetteville Advertising and Promotions Commission’s offices.

Our credentials demonstrate the quality our practice offers our clients. Seven of our partners are rated “AV” (“preeminent”) and one is rated “BV” (“distinguished”) by Martindale-Hubbell. The firm is designated as among the Best Law Firms in the United States by Best Lawyers in America, which also lists five of our partners, individually, in diverse practice areas, and two of our lawyers as “Lawyer of the Year 2012”; Mid-South Super Lawyers also lists five of our partners in various practice areas, two being among Super Lawyers’ top fifty lawyers in Arkansas. Two of our partners are Fellows in the American College of Trial Lawyers.

Among our diverse practice areas, we have several attorneys whose practice includes real estate matters. With multiple Davis Law Firm attorneys practicing in the area of real estate law, the Fayetteville Advertising and Promotions Commission will have ready access to an attorney to assist it with any real estate issues that may arise. In addition, the Fayetteville Advertising and Promotions Commission will benefit from the combined knowledge of multiple Davis Law Firm attorneys, who are able to provide different perspectives on complex real estate issues, thus alleviating the need to seek a second opinion from another law firm.

II. ATTORNEY BIOGRAPHIES

The following Davis Law Firm attorneys would be the primary attorneys to assist the Fayetteville Advertising and Promotions Commission with real estate related legal services:

Constance G. Clark attended Vanderbilt University from 1972 to 1974 and graduated from the University of Arkansas at Fayetteville in 1976, where she was elected to membership in Phi Beta Kappa. She received her J.D. with Honors from the University of Arkansas at Fayetteville in 1979. While in law school, she served as an associate editor of the Arkansas Law Review. Connie joined Davis Law Firm upon graduation from law school. She has served as Secretary-Treasurer of the Washington County Bar Association and as a member of the Arkansas Bar Association, serving in its House of Delegates from 1990 to 1993. She was appointed as a Special Associate Justice of the Arkansas Supreme Court in 1991 and 1996 and served two terms on the Arkansas Supreme Court Committee on Civil Practice, including as Chair of the Committee. She is rated AV-Preeminent by Martindale-Hubbell and is listed in Best Lawyers in America and Super Lawyers.

William Jackson “Jack” Butt, II was born in Fayetteville, Arkansas, in 1950. Jack was admitted to the Virginia Bar in 1975 and the Arkansas Bar in 1981. He received his B.A. in 1972 from the University of Virginia and his J.D. with Honors in 1975 and LL.M. in Taxation in 1979 from The National Law Center of George Washington University. He joined the firm in 1981 after four years’ practice with the Army Judge Advocate General’s Corps and two years’ private practice in Fairfax, Virginia. Jack regularly litigates in state and federal courts and before various administrative agencies.

He was first qualified as an Arkansas Board Recognized Tax Specialist in 1986; has been rated AV-Preeminent by Martindale-Hubbell since 1994; was recognized by the Arkansas Times’ 1995 and 2000 polls as one of the top 10 business lawyers in Arkansas; and is listed in Best Lawyers in America in Trusts and Estates and in Super Lawyers in Commercial Litigation. Jack was President of the Washington County Bar Association in 1996-1997; served as President of the Northwest Arkansas Estate Planning Council from 2004-2006; and is an emeritus member of the William B. Putman Inns of Court, serving as President 2010-2011. He received the Arkansas Bar Association’s Outstanding Lawyer Citizen Award for 1999-2000. Jack is a member of the Washington County and Arkansas Bar Associations, and is admitted to practice before the United States Tax Court and the United States Supreme Court.

Casey D. Lawson graduated in 2000 from the University of Arkansas with a Bachelor of Science degree in Business Administration, Summa Cum Laude, majoring in accounting. Casey was the First Ranked Senior Scholar and Outstanding Senior in Accounting in the business college. She received her Juris Doctor degree, Magna Cum Laude in 2003 from the University of Arkansas School of Law at Fayetteville. In law school, she served on the Arkansas Law Review and was Treasurer of Phi Alpha Delta legal fraternity. She received the Award for Top Student in Taxation and Business Planning, was awarded Best Oralist in the prize round of the Ben J. Altheimer Moot Court

Competition and was a finalist in the Spring Moot Court Competition. Casey has been rated AV-Preeminent by Martindale-Hubbell.

Joshua D. McFadden attended John Brown University (Bachelor of Science in Business Administration Magna Cum Laude 2001; M.B.A. 2004). He was a Soderquist Fellow at the Soderquist Center for Leadership and Ethics while earning his M.B.A. Joshua was awarded his Juris Doctor degree, Magna Cum Laude in 2007 from the University of Arkansas School of Law at Fayetteville, where he was an ABA Foundation Ethics Scholar, served as Associate Editor of the Arkansas Law Review (2006-2007), served on the Honor Council, and belonged to the Phi Delta Phi international legal fraternity. Joshua is a Barrister member of the William B. Putman Inns of Court, a member of the Washington County and Arkansas Bar Associations, and has been rated BV-Distinguished (4.4 out of 5.0) by Martindale-Hubbell.

William F. Clark was born and raised in Fayetteville, Arkansas. He graduated from Vanderbilt University in 2007 with a Bachelor of Arts in Political Science, Cum Laude, and received his Juris Doctor degree from the University of Arkansas School of Law at Fayetteville, Magna Cum Laude, in 2010. In law school, Will was named the Joe C. Barrett Commercial Transactions Scholar, was a member of the Board of Advocates and served as an Associate Editor for the Arkansas Law Review where his case note, *Blazing a New Trail: The Effect of Medical Liability Mutual Insurance Co. v. Alan Curtis on the "American Rule" and an Insurer's Right to Attorneys' Fees*, was published in 2009.

III. REAL ESTATE EXPERIENCE

Davis Law Firm has regularly represented residential and commercial real property owners in the negotiation, purchase, sale, development, and leasing of real estate, ranging from modest residences to multimillion-dollar developed and undeveloped commercial property purchases and sales. These transactions include the Curry to U of A sale of the Razorback Road property at approximately \$2,500,000, recent Lloyd to commercial developer for student high-rise property at the northwest corner of Lafayette Street and West Avenue (\$825,000), and in and around 2000, several Ben Israel/Dixie Development commercial acquisitions on both Joyce Street and Highway 71 (before the market fell with resulting financial distress). Our firm has also regularly represented developers seeking zoning and use permits before city agencies such as Walgreens at Highway 62/Walmart and the Strip Center at the southeast corner of Sycamore Street and College Avenue. We represented about half of the medical clinics involved in the development of North Hills Medical Park (NWA Radiology, McDonald Eye Associates, Highlands Oncology Group, Ozark Orthopaedic) in their acquisition of lots and the resulting development and construction of North Hills Medical Park. More recently, we represented Highlands Oncology Group in its acquisition and construction development of its 8-figure clinic on Horse Barn Road at Pinnacle Point in Rogers. In recent years, with the severe recession in development and construction, we have not represented real estate acquisition and development companies so much as regular business clients in their acquisition and development of their own business properties. We have represented Coldwell Banker Harris

McHaney Faucette Real Estate, one of the two largest real estate firms in Northwest Arkansas, for many years.

The following is a list of the types of real estate related legal services for which our firm has been retained:

- Drafting and review of real estate contracts, including those for commercial developments
- Negotiation, drafting, and review of commercial and residential real estate lease agreements
- Lease disputes and related litigation
- Reviewing real estate purchase agreements and lease agreements associated with franchise purchases
- Drafting deeds for the transfer of real property
- Advising clients regarding the implications of the purchase of real estate in conjunction with the overall purchase of a business
- Assisting subdivisions in the drafting of restrictive covenants
- Represented developers seeking zoning and use permits
- Land dispute litigation, including easement, boundary line, and adverse possession claims
- Real estate related litigation, including:
 - successful unlawful detainer and ejectment actions;
 - successful real estate foreclosure and materialman's lien foreclosure lawsuits; and
 - successful defense of claims against real estate companies and their agents
- Appeals to Arkansas appellate courts in cases involving various real estate issues

IV. REPRESENTATIVE CLIENTS

The following are representative of those clients who have received real estate related legal services from Davis Law Firm:

- J.V. Manufacturing, Inc.;
- Ben Israel/ Dixie Development;
- Highlands Oncology Group, P.A.;
- Transwestern;
- Vista Health;
- Coldwell Banker Harris McHaney Faucette Real Estate;
- Northwest Arkansas Radiology Associates, P.A.;
- McDonald Eye Associates;
- Ozark Orthopaedic;
- Melody's Choices;
- N2 Yogurt;
- Port Elgin, Inc.;
- Prairie Creek Veterinary Hospital, P.A.;
- Polo Country Estates;
- Walton Arts Center;
- National Association of Credit Management - Lien and Bond Services;
- Simmons First Bank of Northwest Arkansas;
- Farm Credit Services of Western Arkansas;
- Western Federal Credit Union;
- Oklahoma State Bank;
- Travelers Insurance Company;
- Coldwell Banker Fleming-Lau Realty;
- King Realty Group;
- Downum Realty Group, Inc.;
- Clark, Long & Associates Real Estate and Insurance, LLC;
- National Loan Investors, LP;
- Rajesh Rana;
- Scutter's Café, LLC;
- White River Natural Foods, LLC;
- Schumacher Homes of Arkansas, Inc.;
- Scherrie L. Bolin;
- Cecil R. Combs;
- UARK Federal Credit Union;
- American Residential Communities; and
- Stoneleigh Centerton Apartments.

V. NO MALPRACTICE CLAIMS

The above-listed Davis Law Firm attorneys are not aware of any malpractice claims or professional conduct claims ever being lodged against them.

VI. FEE SCHEDULE

The Davis Law Firm fee scale is as follows:

Senior Partner Rate (25 years plus experience)	\$250.00/hour
Partner Rate	\$175.00/hour
Associate Rate	\$150.00/hour
Paralegal Rate	\$75.00/hour
Law Clerk Rate	\$50.00/hour

Attorneys' fees will be charged along with expenses incurred in connection with each matter. Davis Law Firm prides itself on providing quality legal services in an economical manner. While legal issues will be handled at the lowest fee level that is appropriate for a given matter, you will benefit from the experience and insights of senior partners, as dictated by the circumstances of each unique situation.

VII. SCOPE OF REPRESENTATION

Davis Law Firm is interested in representing the Fayetteville Advertising and Promotions Commission on real estate related matters. Any representation of the Fayetteville Advertising and Promotions Commission would not constitute representation of the City of Fayetteville. Davis Law Firm reserves the right to represent clients that are potentially adverse to the City of Fayetteville, so long as those matters do not involve issues directly related to the Fayetteville Town Center and/or the Fayetteville Advertising and Promotions Commission.

VIII. CONTACT INFORMATION

Joshua McFadden
Davis, Clark, Butt, Carithers,
& Taylor, PLC
P.O. Box 1688
Fayetteville, AR 72702-1688

Telephone: (479) 521-7600
Fax: (479) 521-7661

jmcfadden@davis-firm.com

VIII. CONCLUSION

Davis Law Firm is particularly suited to represent the Fayetteville Advertising and Promotions Commission's need for real estate related legal services. Our attorneys' legal abilities are well recognized and we have a strong connection and commitment to the community. Our firm's location on Mountain Street gives us proximity to the Fayetteville Town Center, as well as the Fayetteville Advertising and Promotions Commission offices, and a unique perspective on the dynamics of Fayetteville's downtown district. Davis Law Firm seeks the opportunity to provide superior legal services to the Fayetteville Advertising and Promotions Commission.

Jessica Edwards Leonard

From: Marilyn Heifner <mheifner@twncenter.com>
Sent: Monday, April 02, 2012 10:57 AM
To: 'Jessica Edwards Leonard'
Subject: A & P Report 4

Scarpino Building











